

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2112 - HB 2175

February 22, 2020

SUMMARY OF BILL: Makes various changes regarding banks and financial institutions, including but not limited to:

- Removes the requirement that merging state banks shall provide stockholder notice of a meeting by way of a newspaper publication.
- Removes certain requirements for out-of-state banks to establish or acquire branches in Tennessee.
- Removes certain residency requirements for bank directors.
- Removes the requirement that the each incorporator of a bank merger or acquisition must submit their name, address, and zip code.
- Decreases, from permanently to seven years, the length of time that a bank must maintain certain records.
- Removes the requirement that a subpoena from the Department of Financial Institutions (DFI) would permit furnishing records for a federal agency.
- Authorizes a bank to remove a joint owner from a multiple-party deposit in certain situations.
- Requires documentation for funds deposited into an account held by spouses if the funds are to be held by a tenancy in entirety.
- Removes the sunset provision of the Elderly and Vulnerable Adult Financial Exploitation Prevention Act.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the DFI, none of the changes of this proposed legislation are estimated to change the number or value of fines assessed by the DFI.
- The Elderly and Vulnerable Adult Financial Exploitation Prevention Act does not significantly impact DFI or the Department of Human Services.
- Any updates made to procedure and policy, and notifying banks of such changes are estimated to be absorbable within existing staff and resources.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- This legislation may result in both increased and decreased expenditures for private businesses in Tennessee; the overall net impact is estimated to be not significant.
- Any net impact to jobs in Tennessee is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/abw